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Malaysia to **fight** 'no palm oil' label

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> Country to work with Indonesia to counter practice on products in Europe, says PM

BERLIN: Malaysia is set to fight the "no palm oil" label issue in Europe, said Prime Minister Datuk Seri Najib Abdul Razak.

"We are going all out to engage with the various countries," he told Malaysian media at the end of his three-day official visit to Germany yesterday.

Najib, who is also finance minister, said Malaysia will work with Indonesia to engage with European Union (EU) member countries on the issue.

He added that Malaysia cannot allow these countries to damage the prospects of Malaysia's golden crop. Hence, the Plantation Industries and Commodities minister and Malaysian Palm Oil Council would work on this.

According to several reports, there are about 1,500 products with the "no palm oil" label in France, Belgium and Italy and that such labelling can be seen as a move to deny market access for palm oil.

Najib said he had discussed the issue with German Chancellor Angela Merkel in their meeting on Tuesday and had explained that

Malaysia subscribes to sustainable development of the oil palm industry and that there was no "slash and burn" practices in the country.

He also invited German lawmakers to see it for themselves.

Najib said Merkel had assured Malaysia that Germany had no plans to impose any tax on palm oil.

"They will also not support any practice of the 'no palm oil' label in Germany," he added.

On another matter, he said the Malaysian government is open to Khazanah Nasional Bhd selling its stake in Silterra Malaysia Sdn Bhd to foreign investors, but only at the right price.

The government's strategic investment arm has a 98% stake in the chip foundry. Talk of selling either a stake or the entire company has been around since 2008.

Najib said attempts to encourage local companies to buy the stake in Silterra have not been fruitful.

"We have given every opportunity to the local partners or local players to try to take over



Najib and Genting Group chief executive Tan Sri Lim Kok Thay visiting the MV Werften shipyard with Erwin Sellering, premier of the state of Mecklenburg-Vorpommern in Wismar, northern Germany.

Silterra but they have not been able to come up with the necessary resources. Now we open it to foreign companies.

"It is going to be at a price that is acceptable to us and would ensure

that Silterra's operations will benefit Malaysia as well," he said when asked if German wafer fab company X-Fab Silicon Foundaries had offered any proposal for the stake.

Najib earlier had a meeting with X-Fab CEO Rudi De Winter. X-Fab owns a 65% stake in X-Fab Sarawak Sdn Bhd, with the remaining 35% held by the Sarawak government. - Bernama

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